

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 107, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 Alcohol and Tobacco.
- 4 Delete everything after the enacting clause and insert the
- 5 following:
- 6 SECTION 1. IC 7.1-3-12-4, AS AMENDED BY P.L.165-2006,
- 7 SECTION 22, IS AMENDED TO READ AS FOLLOWS
- 8 [EFFECTIVE JULY 1, 2008]: Sec. 4. In order to be considered a
- 9 "farm winery" within the meaning of this title and to be eligible to
- 10 receive a farm winery permit, a wine-making establishment shall not
- 11 annually sell more than ~~five hundred thousand (500,000)~~ **one million**
- 12 **(1,000,000)** gallons of wine in Indiana, excluding wine shipped to an
- 13 out-of-state address.
- 14 SECTION 2. IC 7.1-3-26-7, AS ADDED BY P.L.165-2006,
- 15 SECTION 34, IS AMENDED TO READ AS FOLLOWS
- 16 [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The commission may issue
- 17 a direct wine seller's permit to an applicant who meets all of the
- 18 following requirements:
- 19 (1) The applicant is domiciled and has its principal place of
- 20 business in the United States.
- 21 (2) The applicant is engaged in the manufacture of wine.
- 22 (3) The applicant holds and acts within the scope of authority
- 23 of an alcoholic beverage license or permit to manufacture wine
- 24 that is required:
- 25 (A) in Indiana or the state where the applicant is
- 26 domiciled; and

- 1 (B) by the Tax and Trade Bureau of the United States
 2 Department of the Treasury.
- 3 (4) The applicant qualifies with the secretary of state to do
 4 business in Indiana and consents to the personal jurisdiction of
 5 the commission and the courts of Indiana.
- 6 (5) The applicant files a surety bond with the commission in
 7 accordance with IC 7.1-3-1, or deposits cash in an escrow
 8 account with the commission, in the amount required of an
 9 applicant for a vintner's permit under IC 7.1-3-1-7.
- 10 (6) The applicant:
- 11 (A) does not hold a permit or license to wholesale
 12 alcoholic beverages issued by any authority; and
 13 (B) is not owned in whole or in part or controlled by a
 14 person who holds a permit or license to wholesale
 15 alcoholic beverages.
- 16 (7) The applicant sells not more than ~~five hundred thousand~~
 17 ~~(500,000)~~ **one million (1,000,000)** gallons of wine per year in
 18 Indiana, excluding wine shipped to an out-of-state address.
- 19 (8) The applicant has not distributed wine through a wine
 20 wholesaler in Indiana within the one hundred twenty (120) days
 21 immediately preceding the applicant's initial application for a
 22 direct wine seller's permit or the applicant has operated as a
 23 farm winery under IC 7.1-3-12.
- 24 (9) The applicant is not the parent, subsidiary, or affiliate of
 25 another entity manufacturing any alcoholic beverage.
- 26 (10) The applicant completes documentation regarding the
 27 applicant's application required by the commission.
- 28 (b) The commission may issue a direct wine seller's permit to an
 29 applicant who:
- 30 (1) meets the requirements under subsection (a); and
 31 (2) holds a permit issued under this title that allows the sale of
 32 an alcoholic beverage at retail.

33 SECTION 3. IC 7.1-3-26-12, AS ADDED BY P.L.165-2006,
 34 SECTION 34, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2008]: Sec. 12. During a permit year, a
2 direct wine seller may not direct ship in Indiana more than
3 ~~twenty-seven thousand (27,000)~~ **ninety thousand (90,000)** liters of
4 wine.

(Reference is to SB 107 as introduced.)

**and when so amended that said bill be reassigned to the Senate Committee on Commerce, Public Policy
and Interstate Cooperation.**

LONG, Chairperson